Ground Handling Policy in Six Metro Airports

275. SHRI A. ELAVARASAN: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has planned to implement any new airport ground handling policy in six metro airports;

(b) whether it is a fact that this new policy is opposed by airline companies since it would force them to retrench staff in thousands and jack up their operation costs; and

(c) if so, Government's reaction thereto and the steps proposed to be taken in this regard?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) Yes, Sir. Keeping in view the security requirements and balancing them with the requirement of providing ground handling services of international standards in a competitive environment, Government had decided to implement a new ground handling policy at airports.

(b) and (c) Yes, Sir. The Airline operators had expressed their concerns about the new Ground Handling policy. The matter was examined by the Government and it was decided that the exit of non-entitled entities including domestic airlines will be implemented only after undertaking a comprehensive review and with inter-ministerial consultations in a time bound manner.

FDI in Aviation Sector

276. SHRI JAI PRAKASH NARAYAN SINGH: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether Government has decided to permit foreign airlines to invest upto 25 per cent in domestic airlines;

(b) if so, the reasons for increasing Foreign Direct Investment (FDI) in aviation sector when the 'Vision 2020' document is not yet finalized;

(c) whether it is a fact that after 26/11 Mumbai terror attack, bringing FDI in domestic carriers would be a security threat or risk;

(d) if so, whether the Ministry of Home Affairs has cleared the proposal; and

(e) if not, the reasons for bringing such a proposal?

THE MINISTER OF STATE OF THE MINISTRY OF CIVIL AVIATION (SHRI PRAFUL PATEL): (a) to (e) The proposal to allow foreign airlines to invest in domestic airline is under examination.

Upgradation of Non-metro Airports

277. SHRI RAMDAS AGARWAL: Will the Minister of CIVIL AVIATION be pleased to state:

(a) whether the current economic slowdown has forced Airport Authority of India (AAI) to put aside ambitions to upgrade 35 non-metro airports for which work was to start in the last financial year;